



**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY**

**AIR QUALITY CLASS II SYNTHETIC MINOR PERMIT**

**COMPANY:** Desert Gas, LP  
**FACILITY:** Desert Gas, LP  
**PERMIT #:** 58893  
**DATE ISSUED:** Draft  
**EXPIRY DATE:**

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**SUMMARY**

This Class II operating permit is issued to Desert Gas LP, the Permittee, for the operation of a natural gas liquefaction plant in Ehrenberg, Arizona. The facility is located at 50660 Colorado River Road in Ehrenberg, Arizona on property leased from North Baja Pipeline, LLC.

The facility receives natural gas from North Baja Pipeline which is processed and condensed into liquefied natural gas. Desert Gas LP previously operated a boiler, Regen Gas Heater and an Amine Plant Reboiler under the General Permit for Boilers, Permit #47737. However, revisions to the air quality rules in August 2012 resulted in the facility's emissions to be below the permitting thresholds and therefore the permit was terminated.

Desert Gas LP has now proposed to add new equipment comprising of two boilers and one heater totaling 8,9 MMBtu per hour and two internal combustion engines totaling 2480 HP all combusting natural gas as fuel. Hence the facility has the potential to emit significant quantities of oxides of nitrogen and therefore in accordance with A.A.C. R18-2-302.B.2.a, a Class II permit is required.

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**ATTACHMENT "A": GENERAL PROVISIONS**  
**Air Quality Control Permit No. 58893 for**  
**Desert Gas, LP**

**I. PERMIT EXPIRATION AND RENEWAL**

[ARS § 49-426.F, A.A.C. R18-2-304.C.2, and -306.A.1]

- A. This permit is valid for a period of five years from the date of issuance.
- B. The Permittee shall submit an application for renewal of this permit at least 6 months, but not more than 18 months, prior to the date of permit expiration.

**II. COMPLIANCE WITH PERMIT CONDITIONS**

[A.A.C. R18-2-306.A.8.a and b]

- A. The Permittee shall comply with all conditions of this permit including all applicable requirements of the Arizona Revised Statutes (A.R.S.) Title 49, Chapter 3, and the and air quality rules under Title 18, Chapter 2 of the Arizona Administrative Code. Any noncompliance is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or for denial of a permit renewal application. In addition, noncompliance with any federally enforceable requirement constitutes a violation of the Clean Air Act.
- B. It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

**III. PERMIT REVISION, REOPENING, REVOCATION AND REISSUANCE, OR TERMINATION FOR CAUSE**

[A.A.C. R18-2-306.A.8.c, -321.A.1.c-d, and -321.A.2]

- A. The permit may be revised, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a permit revision, revocation and reissuance, termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.
- B. The permit shall be reopened and revised under any of the following circumstances
  - 1. The Director or the Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.
  - 2. The Director or the Administrator determines that the permit needs to be revised or revoked to assure compliance with the applicable requirements.
- C. Proceedings to reopen and reissue a permit, including appeal of any final action relating to a permit reopening, shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Such reopenings shall be made as expeditiously as practicable. Permit reopenings shall not result in a resetting of the five-year permit term.

**IV. POSTING OF PERMIT**

[A.A.C. R18-2-315]

- A. The Permittee shall post this permit or a certificate of permit issuance where the facility is located in such a manner as to be clearly visible and accessible. All equipment covered by this permit shall be clearly marked with one of the following:

1. Current permit number; or
2. Serial number or other equipment ID number that is also listed in the permit to identify that piece of equipment.

**B.** A copy of the complete permit shall be kept on site.

**V. FEE PAYMENT**

[A.A.C. R18-2-306.A.9 and -326]

The Permittee shall pay fees to the Director pursuant to ARS § 49-426(E) and A.A.C. R18-2-326.

**VI. ANNUAL EMISSION INVENTORY QUESTIONNAIRE**

[A.A.C. R18-2-327.A and B]

- A.** The Permittee shall complete and submit to the Director an annual emissions inventory questionnaire. The questionnaire is due by March 31st or ninety days after the Director makes the inventory form available each year, whichever occurs later, and shall include emission information for the previous calendar year.
- B.** The questionnaire shall be on a form provided by the Director and shall include the information required by A.A.C. R18-2-327.

**VII. COMPLIANCE CERTIFICATION**

[A.A.C. R18-2-309.2.a, -309.2.c-d, and -309.5.d]

- A.** The Permittee shall submit a compliance certification to the Director annually which describes the compliance status of the source with respect to each permit condition. The certification shall be submitted no later than November 15<sup>th</sup>, and shall report the compliance status of the source during the period between October 1<sup>st</sup> of the previous year and September 30<sup>th</sup> of the current year.

The compliance certifications shall include the following:

1. Identification of each term or condition of the permit that is the basis of the certification;
  2. The Identification of the methods or other means used by the owner or operator for determining the compliance status with each term and condition during the certification period;
  3. The status of compliance with the terms and conditions of the permit for the period covered by the certification, including whether compliance during the period was continuous or intermittent. The certification shall be based on the methods or means designated in Condition VII.A.2 above. The certifications shall identify each deviation and take it into account for consideration in the compliance certification;
  4. All instances of deviations from permit requirements reported pursuant to Condition XII.B of this Attachment; and
  5. Other facts the Director may require determining the compliance status of the source.
- B.** A progress report on all outstanding compliance schedules shall be submitted every six months beginning with six months after permit issuance.

**VIII. CERTIFICATION OF TRUTH, ACCURACY AND COMPLETENESS**

[A.A.C. R18-2-304.H]

Any document required to be submitted by this permit, including reports, shall contain a certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on

information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

## **IX. INSPECTION AND ENTRY**

[A.A.C. R18-2-309.4]

Upon presentation of proper credentials, the Permittee shall allow the Director or the authorized representative of the Director to:

- A. Enter upon the Permittee's premises where a source is located, emissions-related activity is conducted, or where records are required to be kept under the conditions of the permit;
- B. Have access to and copy, at reasonable times, any records that are required to be kept under the conditions of the permit;
- C. Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit;
- D. Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or other applicable requirements; and
- E. Record any inspection by use of written, electronic, magnetic and photographic media.

## **X. PERMIT REVISION PURSUANT TO FEDERAL HAZARDOUS AIR POLLUTANT STANDARD**

[A.A.C. R18-2-304.C]

If this source becomes subject to a standard promulgated by the Administrator pursuant to Section 112(d) of the Act, then the Permittee shall, within twelve months of the date on which the standard is promulgated, submit an application for a permit revision demonstrating how the source will comply with the standard.

## **XI. ACCIDENTAL RELEASE PROGRAM**

[40 CFR Part 68]

If this source becomes subject to the provisions of 40 CFR Part 68, then the Permittee shall comply with these provisions according to the time line specified in 40 CFR Part 68.

## **XII. EXCESS EMISSIONS, PERMIT DEVIATIONS, AND EMERGENCY REPORTING**

### **A. Excess Emissions Reporting**

[A.A.C. R18-2-310.01.A and -310.01.B]

- 1. Excess emissions shall be reported as follows:
  - a. The Permittee shall report to the Director any emissions in excess of the limits established by this permit. Such report shall be in two parts as specified below:
    - i. Notification by telephone or facsimile within 24 hours of the time when the Permittee first learned of the occurrence of excess emissions including all available information from Condition XII.A.1.b below.
    - ii. Detailed written notification by submission of an excess emissions report within 72 hours of the notification pursuant to Condition XII.A.1.a.(1) above.
  - b. The report shall contain the following information:
    - i. Identity of each stack or other emission point where the excess emissions occurred;

- ii. Magnitude of the excess emissions expressed in the units of the applicable emission limitation and the operating data and calculations used in determining the magnitude of the excess emissions;
  - iii. Date, time and duration, or expected duration, of the excess emissions;
  - iv. Identity of the equipment from which the excess emissions emanated;
  - v. Nature and cause of such emissions;
  - vi. If the excess emissions were the result of a malfunction, steps taken to remedy the malfunction and the steps taken or planned to prevent the recurrence of such malfunctions; and
  - vii. Steps taken to limit the excess emissions. If the excess emissions resulted from start-up or malfunction, the report shall contain a list of the steps taken to comply with the permit procedures.
2. In the case of continuous or recurring excess emissions, the notification requirements of this section shall be satisfied if the source provides the required notification after excess emissions are first detected and includes in such notification an estimate of the time the excess emissions will continue. Excess emissions occurring after the estimated time period, or changes in the nature of the emissions as originally reported, shall require additional notification pursuant to Condition XII.A.1 above. [A.A.C. R18-2-310.01.C]

**B. Permit Deviations Reporting**

[A.A.C. R18-2-306.A.5.b]

The Permittee shall promptly report deviations from permit requirements, including those attributable to upset conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. Prompt reporting shall mean that the report was submitted to the Director by certified mail, facsimile, or hand delivery within two working days of the time when emission limitations were exceeded due to an emergency or within two working days of the time when the owner or operator first learned of the occurrence of a deviation from a permit requirement.

**C. Emergency Provision**

[A.A.C. R18-2-306.E]

1. An “emergency” means any situation arising from sudden and reasonable unforeseeable events beyond the control of the source, including acts of God, that require immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.
2. An emergency constitutes an affirmative defense to an action brought for noncompliance with such technology-based emission limitations if Condition XII.C.3 is met.
3. The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:
  - a. An emergency occurred and that the Permittee can identify the cause(s) of the emergency;

- b. The permitted facility was being properly operated at the time;
  - c. During the period of the emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
  - d. The Permittee submitted notice of the emergency to the Director by certified mail, facsimile, or hand delivery within two working days of the time when emission limitations were exceeded due to the emergency. This notice shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective action taken.
- 4. In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
  - 5. This provision is in addition to any emergency or upset provision contained in any applicable requirement.

**D. Compliance Schedule**

[ARS § 49-426.I.5]

For any excess emission or permit deviation that cannot be corrected with 72 hours, the Permittee is required to submit a compliance schedule to the Director within 21 days of such occurrence. The compliance schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with the permit terms or conditions that have been violated.

**E. Affirmative Defenses for Excess Emissions Due to Malfunctions, Startup, and Shutdown**

[A.A.C. R18-2-310]

**1. Applicability**

This rule establishes affirmative defenses for certain emissions in excess of an emission standard or limitation and applies to all emission standards or limitations except for standards or limitations:

- a. Promulgated pursuant to Sections 111 or 112 of the Act;
- b. Promulgated pursuant to Titles IV or VI of the Clean Air Act;
- c. Contained in any Prevention of Significant Deterioration (PSD) or New Source Review (NSR) permit issued by the U.S. EPA;
- d. Contained in A.A.C. R18-2-715.F; or
- e. Included in a permit to meet the requirements of A.A.C. R18-2-406.A.5.

**2. Affirmative Defense for Malfunctions**

Emissions in excess of an applicable emission limitation due to malfunction shall constitute a violation. When emissions in excess of an applicable emission limitation are due to a malfunction, the Permittee has an affirmative defense to a civil or administrative enforcement proceeding based on that violation, other than a judicial action seeking injunctive relief, if the Permittee has complied with the reporting requirements of A.A.C. R18-2-310.01 and has demonstrated all of the following:

- a. The excess emissions resulted from a sudden and unavoidable breakdown of process equipment or air pollution control equipment beyond the reasonable control of the Permittee;
  - b. The air pollution control equipment, process equipment, or processes were at all times maintained and operated in a manner consistent with good practice for minimizing emissions;
  - c. If repairs were required, the repairs were made in an expeditious fashion when the applicable emission limitations were being exceeded. Off-shift labor and overtime were utilized where practicable to ensure that the repairs were made as expeditiously as possible. If off-shift labor and overtime were not utilized, the Permittee satisfactorily demonstrated that the measures were impracticable;
  - d. The amount and duration of the excess emissions (including any bypass operation) were minimized to the maximum extent practicable during periods of such emissions;
  - e. All reasonable steps were taken to minimize the impact of the excess emissions on ambient air quality;
  - f. The excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance;
  - g. During the period of excess emissions there were no exceedances of the relevant ambient air quality standards established in Title 18, Chapter 2, Article 2 of the Arizona Administrative Code that could be attributed to the emitting source;
  - h. The excess emissions did not stem from any activity or event that could have been foreseen and avoided, or planned, and could not have been avoided by better operations and maintenance practices;
  - i. All emissions monitoring systems were kept in operation if at all practicable; and
  - j. The Permittee's actions in response to the excess emissions were documented by contemporaneous records
3. Affirmative Defense for Startup and Shutdown
- a. Except as provided in Condition XII.E.3.b below, and unless otherwise provided for in the applicable requirement, emissions in excess of an applicable emission limitation due to startup and shutdown shall constitute a violation. When emissions in excess of an applicable emission limitation are due to startup and shutdown, the Permittee has an affirmative defense to a civil or administrative enforcement proceeding based on that violation, other than a judicial action seeking injunctive relief, if the Permittee has complied with the reporting requirements of A.A.C. R18-2-310.01 and has demonstrated all of the following:
    - i. The excess emissions could not have been prevented through careful and prudent planning and design;
    - ii. If the excess emissions were the result of a bypass of control equipment, the bypass was unavoidable to prevent loss of life, personal injury, or



severe damage to air pollution control equipment, production equipment, or other property;

- iii. The air pollution control equipment, process equipment, or processes were at all times maintained and operated in a manner consistent with good practice for minimizing emissions;
  - iv. The amount and duration of the excess emissions (including any bypass operation) were minimized to the maximum extent practicable during periods of such emissions;
  - v. All reasonable steps were taken to minimize the impact of the excess emissions on ambient air quality;
  - vi. During the period of excess emissions there were no exceedances of the relevant ambient air quality standards established in Title 18, Chapter 2, Article 2 of the Arizona Administrative Code that could be attributed to the emitting source;
  - vii. All emissions monitoring systems were kept in operation if at all practicable; and
  - viii. Contemporaneous records documented the Permittee's actions in response to the excess emissions.
- b. If excess emissions occur due to a malfunction during routine startup and shutdown, then those instances shall be treated as other malfunctions subject to Condition XII.E.2 above.
4. Affirmative Defense for Malfunctions during Scheduled Maintenance

If excess emissions occur due to a malfunction during scheduled maintenance, then those instances will be treated as other malfunctions subject to Condition XII.E.2 above.

5. Demonstration of Reasonable and Practicable Measures

For an affirmative defense under Condition XII.E.2 or XII.E.3 above, the Permittee shall demonstrate, through submission of the data and information required by Condition XII.E and A.A.C. R18-2-310.01, that all reasonable and practicable measures within the Permittee's control were implemented to prevent the occurrence of the excess emissions.

### **XIII. RECORD KEEPING REQUIREMENTS**

[A.A.C. R18-2-306.A.4]

- A.** The Permittee shall keep records of all required monitoring information including, but not limited to, the following:
- 1. The date, place as defined in the permit, and time of sampling or measurements;
  - 2. The date(s) analyses were performed;
  - 3. The name of the company or entity that performed the analyses;
  - 4. A description of the analytical techniques or methods used;

5. The results of such analyses; and
  6. The operating conditions as existing at the time of sampling or measurement.
- B.** The Permittee shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings or other data recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.
- C.** All required records shall be maintained either in an unchangeable electronic format or in a handwritten logbook utilizing indelible ink.

#### **XIV. REPORTING REQUIREMENTS**

[A.A.C. R18-2-306.A.5.a]

The Permittee shall submit the following reports:

- A.** Compliance certifications in accordance with Section VII of Attachment “A”.
- B.** Excess emission; permit deviation, and emergency reports in accordance with Section XII of Attachment “A”.
- C.** Other reports required by any condition of Attachment “B”.

#### **XV. DUTY TO PROVIDE INFORMATION**

[A.A.C. R18-2-304.G and -306.A.8.e]

- A.** The Permittee shall furnish to the Director, within a reasonable time, any information that the Director may request in writing to determine whether cause exists for revising, revoking and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the Permittee shall also furnish to the Director copies of records required to be kept by the permit. For information claimed to be confidential, the Permittee shall furnish an additional copy of such records directly to the Administrator along with a claim of confidentiality.
- B.** If the Permittee has failed to submit any relevant facts or has submitted incorrect information in the permit application, the Permittee shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information.

#### **XVI. PERMIT AMENDMENT OR REVISION**

[A.A.C. R18-2-317.01, -318, -319, and -320]

The Permittee shall apply for a permit amendment or revision for changes to the facilities which do not qualify for a facility change without revision under Section XVII, as follows:

- A.** Facility Changes that Require a Permit Revision - Class II (A.A.C. R18-2-317.01);
- B.** Administrative Permit Amendment (A.A.C. R18-2-318);
- C.** Minor Permit Revision (A.A.C. R18-2-319); and
- D.** Significant Permit Revision (A.A.C. R18-2-320)

The applicability and requirements for such action are defined in the above referenced regulations.

## **XVII. FACILITY CHANGE WITHOUT A PERMIT REVISION**

[A.A.C. R18-2-306.A.4 and -317.02]

- A.** Except for a physical change or change in the method of operation at a Class II source requiring a permit revision under A.A.C. R18-2-317.01, or a change subject to logging or notice requirements in Conditions XVII.B and XVII.C below, a change at a Class II source shall not be subject to revision, notice, or logging requirements under this Section.
- B.** Except as otherwise provided in the conditions applicable to an emissions cap created under A.A.C. R18-2-306.02, the following changes may be made if the source keeps on site records of the changes according to Appendix 3 of the Arizona Administrative Code:
1. Implementing an alternative operating scenario, including raw materials changes;
  2. Changing process equipment, operating procedures, or making any other physical change if the permit requires the change to be logged;
  3. Engaging in any new insignificant activity listed in A.A.C. R18-2-101.57.a through A.A.C. R18-2-101.57.i but not listed in the permit;
  4. Replacing an item of air pollution control equipment listed in the permit with an identical (same model, different serial number) item. The Director may require verification of efficiency of the new equipment by performance tests; and
  5. A change that results in a decrease in actual emissions if the source wants to claim credit for the decrease in determining whether the source has a net emissions increase for any purpose. The logged information shall include a description of the change that will produce the decrease in actual emissions. A decrease that has not been logged is creditable only if the decrease is quantifiable, enforceable, and otherwise qualifies as a creditable decrease.
- C.** Except as provided in the conditions applicable to an emissions cap created under A.A.C. R18-2-306.02, the following changes may be made if the source provides written notice to the Department in advance of the change as provided below:
1. Replacing an item of air pollution control equipment listed in the permit with one that is not identical but that is substantially similar and has the same or better pollutant removal efficiency: 7 days. The Director may require verification of efficiency of the new equipment by performance tests;
  2. A physical change or change in the method of operation that increases actual emissions more than 10 percent of the major source threshold for any conventional pollutant but does not require a permit revision: 7 days;
  3. Replacing an item of air pollution control equipment listed in the permit with one that is not substantially similar but that has the same or better efficiency: 30 days. The Director may require verification of efficiency of the new equipment by performance tests;
  4. A change that would trigger an applicable requirement that already exists in the permit: 30 days unless otherwise required by the applicable requirement;
  5. A change that amounts to reconstruction of the source or an affected facility: 7 days. For the purposes of this subsection, reconstruction of a source or an affected facility shall be presumed if the fixed capital cost of the new components exceeds 50% of the fixed capital cost of a comparable entirely new source or affected facility and the changes to the

components have occurred over the 12 consecutive months beginning with commencement of construction; and

6. A change that will result in the emissions of a new regulated air pollutant above an applicable regulatory threshold but that does not trigger a new applicable requirement for that source category: 30 days. For purposes of this requirement, an applicable regulatory threshold for a conventional air pollutant shall be 10% of the applicable major source threshold for that pollutant.
- D.** For each change under Condition XVII.C above, the written notice shall be by certified mail or hand delivery and shall be received by the Director the minimum amount of time in advance of the change. Notifications of changes associated with emergency conditions, such as malfunctions necessitating the replacement of equipment, may be provided with less than required notice, but must be provided as far in advance of the change, or if advance notification is not practicable, as soon after the change as possible. The written notice shall include:
1. When the proposed change will occur;
  2. A description of the change;
  3. Any change in emissions of regulated air pollutants; and
  4. Any permit term or condition that is no longer applicable as a result of the change.
- E.** A source may implement any change in Condition XVII.C above without the required notice by applying for a minor permit revision under A.A.C. R18-2-319 and complying with subsection A.A.C. R18-2-319.D.2 and A.A.C. R18-2-319.G.
- F.** The permit shield described in A.A.C. R18-2-325 shall not apply to any change made under this Section, other than implementation of an alternate operating scenario under Condition XVII.B.1.
- G.** Notwithstanding any other part of this Section, the Director may require a permit to be revised for any change that, when considered together with any other changes submitted by the same source under this Section over the term of the permit, constitutes a change under subsection A.A.C. R18-2-317.01.A.
- H.** If a source change is described under both Conditions XVII.B and XVII.C above, the source shall comply with Condition XVII.C above. If a source change is described under both Condition XVII.C above and A.A.C. R18-2-317.01.B, the source shall comply with A.A.C. R18-2-317.01.B.
- I.** A copy of all logs required under Condition XVII.B shall be filed with the Director within 30 days after each anniversary of the permit issuance date. If no changes were made at the source requiring logging, a statement to that effect shall be filed instead.
- J. Logging Requirements** [A.A.C. R18-2-306.A.4]
1. Each log entry required by a change under Condition XVII.B shall include at least the following information:
    - a. A description of the change, including:
      - i. A description of any process change;

- ii. A description of any equipment change, including both old and new equipment descriptions, model numbers, and serial numbers, or any other unique equipment ID number; and
    - iii. A description of any process material change.
  - b. The date and time that the change occurred.
  - c. The provision of A.A.C. R18-2-317.02.B that authorizes the change to be made with logging.
  - d. The date the entry was made and the first and last name of the person making the entry.
2. Logs shall be kept for 5 years from the date created. Logging shall be performed in indelible ink in a bound log book with sequentially number pages, or in any other form, including electronic format, approved by the Director.

## **XVIII. TESTING REQUIREMENTS**

[A.A.C. R18-2-312]

- A.** The Permittee shall conduct performance tests as specified in the permit and at such other times as may be required by the Director.

**B. Operational Conditions during Testing**

Tests shall be conducted during operation at the maximum possible capacity of each unit under representative operational conditions unless other conditions are required by the applicable test method or in this permit. With prior written approval from the Director, testing may be performed at a lower rate. Operations during periods of start-up, shutdown, and malfunction (as defined in A.A.C. R18-2-101) shall not constitute representative operational conditions unless otherwise specified in the applicable standard.

- C.** Tests shall be conducted and data reduced in accordance with the test methods and procedures contained in the Arizona Testing Manual unless modified by the Director pursuant to A.A.C. R18-2-312.B.

**D. Test Plan**

At least 14 calendar days prior to performing a test, the Permittee shall submit a test plan to the Director in accordance with A.A.C. R18-2-312.B and the Arizona Testing Manual. This test plan must include the following:

- 1. Test duration;
- 2. Test location(s);
- 3. Test method(s); and
- 4. Source operation and other parameters that may affect test results.

**E. Stack Sampling Facilities**

The Permittee shall provide, or cause to be provided, performance testing facilities as follows:

1. Sampling ports adequate for test methods applicable to the facility;
2. Safe sampling platform(s);
3. Safe access to sampling platform(s); and
4. Utilities for sampling and testing equipment.

**F. Interpretation of Final Results**

Each performance test shall consist of three separate runs using the applicable test method. Each run shall be conducted for the time and under the conditions specified in the applicable standard. For the purpose of determining compliance with an applicable standard, the arithmetic mean of the results of the three runs shall apply. In the event that a sample is accidentally lost or conditions occur in which one of the three runs is required to be discontinued because of forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the Permittee's control, compliance may, upon the Director's approval, be determined using the arithmetic mean of the results of the other two runs. If the Director or the Director's designee is present, tests may only be stopped with the Director's or such designee's approval. If the Director or the Director's designee is not present, tests may only be stopped for good cause. Good cause includes: forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the Permittee's control. Termination of any test without good cause after the first run is commenced shall constitute a failure of the test. Supporting documentation, which demonstrates good cause, must be submitted.

**G. Report of Final Test Results**

A written report of the results of all performance tests shall be submitted to the Director within 30 days after the test is performed. The report shall be submitted in accordance with the Arizona Testing Manual and A.A.C. R18-2-312.A.

**XIX. PROPERTY RIGHTS**

[A.A.C. R18-2-306.A.8.d]

This permit does not convey any property rights of any sort, or any exclusive privilege.

**XX. SEVERABILITY CLAUSE**

[A.A.C. R18-2-306.A.7]

The provisions of this permit are severable. In the event of a challenge to any portion of this permit, or if any portion of this permit is held invalid, the remaining permit conditions remain valid and in force.

**XXI. PERMIT SHIELD**

[A.A.C. R18-2-325]

Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements identified in the portions of this permit subtitled "Permit Shield". The permit shield shall not apply to any minor revisions pursuant to Condition XVI.C of this Attachment and any facility changes without a permit revision pursuant to Section XVII of this Attachment.

## ATTACHMENT “B”: SPECIFIC CONDITIONS

### Air Quality Control Permit No. 58893 for Desert Gas, LP

#### I. RELATIONSHIP OF PERMIT TO APPLICABLE STATE IMPLEMENTATION PLAN

This permit is issued pursuant to the provisions of the Arizona Revised Statutes (ARS) and constitutes an installation permit for the purpose of the applicable State Implementation Plan. [ARS § 49-404.c and -426]

#### II. FACILITY WIDE REQUIREMENTS

- A. The Permittee shall have on site or on call a person certified in EPA Reference Method 9. [A.A.C. R18-2-306.A.3.c]
- B. At the time the compliance certifications required by Section VII of Attachment “A” are submitted, the Permittee shall submit reports of all monitoring activities required by this Attachment performed in the same period as applies to the compliance certification period. [A.A.C. R18-2-306.A.5.a]
- C. The Permittee shall install, operate, and maintain all pieces of equipment covered by this permit in accordance with manufacturer’s specifications. The pieces of equipment covered by this permit are listed in Attachment “C”. [A.A.C. R18-2-306.A.2]
- D. The Permittee shall keep records of all the maintenance activities carried out on the heater, boilers, and internal combustion engines. These records shall be made available to ADEQ inspectors upon request. [A.A.C. R18-2-306.A.2]

#### III. BOILERS AND HEATER

##### A. Applicability

This Section applies to boilers and heater listed in the Equipment List, Attachment “C”.

##### B. Fuel Limitations

[A.A.C. R18-2-306.A.2]

The Permittee shall only burn natural gas in the boilers and heater.

##### C. Particulate Matter and Opacity

###### 1. Emission Limitations/Standards

- a. The Permittee shall not cause, allow or permit the emission of particulate matter, caused by combustion of fuel in the boilers and heater in excess of the amounts calculated by the following equation:

$$E = 1.02Q^{0.769}$$

Where:

E = the maximum allowable particulate emissions rate in pounds-mass per hour.

Q = the heat input in million BTU per hour. [A.A.C. R18-2-724.C.1]

b. For purposes of this Section, the heat input shall be the aggregate heat content of all fuels whose products of combustion pass through a stack or other outlet. The total heat input of all fuel-burning units on a plant or premises shall be used for determining the maximum allowable amount of particulate matter which may be emitted. [A.A.C. R18-2-724.B]

c. The Permittee shall not cause, allow or permit the opacity of any plume or effluent from any boiler to exceed 15 percent. [A.A.C. R18-2-724.J]

2. Monitoring, Recordkeeping, and Reporting

a. The Permittee shall keep records of fuel supplier certifications. The certification shall contain information regarding the name of fuel supplier and lower heating value of the fuel. These records shall be made available to ADEQ upon request. [A.A.C. R18-2-306.A.3.c]

b. The Permittee shall report all 6-minute periods during which the visible emissions exceed 15 percent opacity, as required under Section XII of Attachment "A". [A.A.C. R18-2-724.J]

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-724.B, C.1, and J. [A.A.C. R18-2-325]

**IV. Internal Combustion Engines (ICE)**

**A. Applicability**

This Section applies to ICEs listed in the Equipment List, Attachment "C".

**B. Fuel Limitation**

The Permittee shall only burn natural gas in the ICEs. [A.A.C.R18-2-306.A.2]

**C. Stack Height**

The stacks of ICEs shall have an exhaust release height of at least 25 feet above grade. [A.A.C.R18-2-306.A.2]

**D. ICEs not subject to New Source Performance Standards (NSPS)**

1. Applicability

The Section applies to the ICEs marked as 'No' under the NSPS Applicable column in the Equipment List, Attachment "C".

2. Particulate Matter

a. Emission Limitations and Standards

i. The Permittee shall not cause, allow or permit the emission of particulate matter, caused by combustion of fuel in excess of the amounts calculated



by the following equation:

$$E = 1.02Q^{0.769}$$

Where:

E = the maximum allowable particulate emissions rate in pounds-mass per hour.

Q = the heat input in million BTU per hour.

[A.A.C.R18-2-719.C.1]

- ii. For the purpose of this Section, the heat input shall be the aggregate heat content of all fuels whose products of combustion pass through a stack or other outlet. The total heat input of all operating fuel-burning units on a plant or premises shall be used for determining the maximum allowable amount of particulate matter which may be emitted. [A.A.C. R18-2-719.B]

b. Monitoring, Reporting, and Recordkeeping

The Permittee shall maintain a record of the daily lower heating value of the fuel fired in the ICEs. This may be accomplished by maintaining on record a copy of that part of the contract with the vendor that specifies the lower heating value of the fuel.

[A.A.C. R18-2-306.A.3.c]

c. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C.R18-2-719.B and C.1.

[A.A.C.R18-2-325]

3. Opacity

a. Emission Limitations and Standards

The Permittee shall not cause, allow or permit to be emitted into the atmosphere from the ICEs, smoke for any period greater than ten consecutive seconds, which exceeds 40 percent opacity. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes.

[A.A.C.R18-2-719.E]

b. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C.R18-2- 719.E.

[A.A.C.R18-2-325]

4. Nitrogen Oxides (NO<sub>x</sub>)

a. Emission Limitations and Standards

*The Permittee shall not emit more than 2.2 g/ HP-hr of NO<sub>x</sub> from each ICE.*

[A.A.C. R18-2-306.A.2, -306.01, and -331.A.3.a]

[Material Permit Conditions are identified by italics and underlines]

b. Testing

[A.A.C.R18-2-312]

- i. The Permittee shall, within 180 days of start up of the ICE, conduct performance test for NO<sub>x</sub> emissions from each ICE to show compliance with the emission limitation in Condition IV.D.4.a.
- ii. Subsequent performance test shall be conducted every two years.

**E. ICES Subject to National Emission Standards for Hazardous Air Pollutants (NESHAP)**

1. Applicability

This Section applies to the ICES marked as 'Yes, Existing' under the NESHAP Applicable column in the Equipment List, Attachment "C".

2. Emission Limitations

- a. The Permittee shall reduce the emissions of hazardous air pollutants (HAPs) in each of the ICE exhaust using an oxidation catalyst.  
[40 CFR 63.6603(a); Table 2d; Item #9)]
- b. The Permittee shall limit or reduce the emissions of carbon monoxide (CO) in each ICE exhaust using an oxidation catalyst to achieve the following:  
[40 CFR 63; Table 5; Item 13]
  - i. The average reduction in the emissions of CO by 93 percent or more; or
  - ii. The average concentration of CO less than 47 ppmvd at 15 percent O<sub>2</sub>.

3. Air Pollution Control Equipment

At all times, the Permittee shall, to the extent practicable, install, maintain, and operate an oxidation catalyst in the exhaust of each ICE to achieve the emission limits in Condition IV.E.2.  
[40 CFR 63.6603 (a), Table 2d)]

4. Operating Limitations

The Permittee shall minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the emission limits applicable at all times other than startup in Condition IV.E.2 shall apply.  
[40 CFR §63.6625(h)]

5. Compliance Requirements

- a. The Permittee shall be, at all times, in compliance with the emission limitations, operating limitations, and other applicable requirements.  
[40 CFR 63.6605(a)]
- b. The Permittee shall, at all times operate and maintain ICES, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. The general duty to minimize emissions does not require to make any further efforts to reduce emissions if levels required by this standard have been achieved. Determination of whether such operation and maintenance procedures are being used will be based on information available to the Director which may include, but

is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source. [40 CFR 63.6605(b)]

- c. The Permittee shall demonstrate initial compliance with the emission limits in Condition IV.E.2 by conducting a performance tests, as per 40 CFR 63.6630 (e), with in 60 days of start up of the ICE to show that the:

[40 CFR 63.6630 (a) and (e), Table 5, Item #13]

- i. average reduction of emissions of CO is 93 percent or more; or
- ii. average CO concentration is less than or equal to 47 ppmvd at 15 percent O<sub>2</sub>.

- d. The Permittee shall demonstrate continuous compliance with each emission limit, operating limitation, and other applicable requirements, according to Table 6, Subpart ZZZZ, by conducting annual performance tests, as per 40 CFR 63.6640 (c), to show that:

[40 CFR 63.6640(a) and (c), Table 6, Item #14]

- i. the average reduction of emissions of CO is 93 percent or more, or
- ii. the average CO concentration is less than or equal to 47 ppmvd at 15 percent O<sub>2</sub>; and either
- iii. by collecting the catalyst inlet temperature data according to 40 CFR 63.6625 (b), reducing these data to 4-hour rolling averages, and maintaining the 4-hour rolling averages within the limitation of greater than 450° F and less than 1350° F for the catalyst inlet temperature; or
- iv. immediately shutting down the ICE if the catalyst inlet temperature exceeds 1350° F.

5. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with 40 CFR 6603(a), 6605, 6625(h), 6630(a) & (e), and 6640(a) & (c). [A.A.C. R18-2-325]

## V. FUGITIVE DUST REQUIREMENTS

### A. Applicability

This Section applies to any source of fugitive dust in the facility.

### B. Particulate Matter and Opacity

Open Areas, Roadways & Streets, Storage Piles, and Material Handling

#### 1. Emission Limitations/Standards

- a. Opacity of emissions from any fugitive dust source shall not be greater than 40 percent measured in according to the 40 CFR 60, Appendix A, Reference Method 9.

[A.A.C. R18-2-614]

- b. The Permittee shall not cause, allow or permit visible emissions from any point source, in excess of 20 percent opacity. [A.A.C-R18-2-702.B.3]
- c. The Permittee shall employ the following reasonable precautions to prevent excessive amounts of particulate matter from becoming airborne:
  - i. Keep dust and other types of air contaminants to a minimum in an open area where construction operations, repair operations, demolition activities, clearing operations, leveling operations, or any earth moving or excavating activities are taking place, by good modern practices such as using an approved dust suppressant or adhesive soil stabilizer, paving, covering, landscaping, continuous wetting, detouring, barring access, or other acceptable means; [A.A.C. R18-2-604.A]
  - ii. Keep dust to a minimum from driveways, parking areas, and vacant lots where motor vehicular activity occurs by using an approved dust suppressant, or adhesive soil stabilizer, or by paving, or by barring access to the property, or by other acceptable means; [A.A.C. R18-2-604.B]
  - iii. Keep dust and other particulates to a minimum by employing dust suppressants, temporary paving, detouring, wetting down or by other reasonable means when a roadway is repaired, constructed, or reconstructed; [A.A.C. R18-2-605.A]
  - iv. Any other method as proposed by the Permittee and approved by the Director. [A.A.C. R18-2-306.A.3.c]

2. Monitoring and Record keeping Requirements [A.A.C. R18-2-306.A.3.c]

The Permittee shall maintain records of the dates on which any of the activities listed in Conditions V.B.1.c. i through viii were performed and the control measures that were adopted.

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-604.A, B, -605.A and -702.B. [A.A.C.R18-2-325]

## VI. MOBILE SOURCE REQUIREMENTS

### A. Applicability

The requirements of this Section are applicable to mobile sources which either move while emitting air contaminants or are frequently moved during the course of their utilization but are not classified as motor vehicles, agricultural vehicles, or are agricultural equipment used in normal farm operations. Mobile sources shall not include portable sources as defined in A.A.C. R18-2-101.89. [A.A.C.R18-2-801.A]

### B. Particulate Matter and Opacity

1. Emission Limitations/Standards

- a. Off-Road Machinery [A.A.C.R18-2-802]

The Permittee shall not cause, allow, or permit to be emitted into the atmosphere from any off-road machinery, smoke for any period greater than ten consecutive seconds, the opacity of which exceeds 40 percent. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes. Off-road machinery shall include trucks, graders, scrapers, rollers, and other construction and mining machinery not normally driven on a completed public roadway.

b. Roadway and Site Cleaning Machinery [A.A.C.R18-2-804]

i. The Permittee shall not cause, allow or permit to be emitted into the atmosphere from any roadway and site cleaning machinery smoke or dust for any period greater than ten consecutive seconds, the opacity of which exceeds 40 percent. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes.

ii. The Permittee shall take reasonable precautions, such as the use of dust suppressants, before the cleaning of a site, roadway, or alley. Earth or other material shall be removed from paved streets onto which earth or other material has been transported by trucking or earth moving equipment, erosion by water or by other means.

c. Unless otherwise specified, no mobile source shall emit smoke or dust the opacity of which exceeds 40 percent. [A.A.C.R18-2-801.B]

2. Record keeping Requirement

The Permittee shall keep a record of all emissions related maintenance activities performed on the Permittee's mobile sources stationed at the facility as per manufacturer's specifications. [A.A.C.R18-2-306.A.5.a]

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-801, -802, and -804. [A.A.C.R18-2-325]

## VII. OTHER PERIODIC ACTIVITY REQUIREMENTS

### A. Abrasive Blasting

#### Particulate Matter and Opacity

1. Emission Limitations/Standards

a. The Permittee shall not cause or allow sandblasting or other abrasive blasting without minimizing dust emissions to the atmosphere through the use of good modern practices. Good modern practices include:

- i. wet blasting;
- ii. effective enclosures with necessary dust collecting equipment; or
- ii. any other method approved by the Director.

[A.A.C. R18-2-726]

b. Opacity

The Permittee shall not cause, allow or permit visible emissions from sandblasting or other abrasive blasting operations in excess of 20 percent opacity as measured by EPA Reference Method 9. [A.A.C. R18-2-702.B]

2. Monitoring and Recordkeeping Requirement

[A.A.C. R18-2-306.A.3.c]

Each time an abrasive blasting project is conducted, the Permittee shall keep a record of the following:

- a. The date the project was conducted;
- b. The duration of the project; and
- c. Type of control measures employed.

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-702.B and -726. [A.A.C.R18-2-325]

**B. Use of Paints**

1. Volatile Organic Compounds

a. Emission Limitations/Standards

While performing spray painting operations, the Permittee shall comply with the following requirements:

- i. The Permittee shall not conduct or cause to be conducted any spray painting operation without minimizing organic solvent emissions. Such operations, other than architectural coating and spot painting, shall be conducted in an enclosed area equipped with controls containing no less than 96 percent of the overspray. [A.A.C.R18-2-727.A]
- ii. The Permittee or their designated contractor shall not either:  
[A.A.C.R18-2-727.B]
  - (a) Employ, apply, evaporate, or dry any architectural coating containing photochemically reactive solvents for industrial or commercial purposes; or
  - (b) Thin or dilute any architectural coating with a photochemically reactive solvent.
- iii. For the purposes of Condition VII.B.1.a.ii, a photochemically reactive solvent shall be any solvent with an aggregate of more than 20 percent of its total volume composed of the chemical compounds classified in Conditions VII.B.1.a.iii.(a) through (c), or which exceeds any of the following percentage composition limitations, referred to the total volume of solvent:

- (a) A combination of the following types of compounds having an olefinic or cyclo-olefinic type of unsaturation-hydrocarbons, alcohols, aldehydes, esters, ethers, or ketones: 5 percent.
- (b) A combination of aromatic compounds with eight or more carbon atoms to the molecule except ethylbenzene: 8 percent.
- (c) A combination of ethylbenzene, ketones having branched hydrocarbon structures, trichloroethylene or toluene: 20 percent.  
[A.A.C.R18-2-727.C]

- iv. Whenever any organic solvent or any constituent of an organic solvent may be classified from its chemical structure into more than one of the groups of organic compounds described in Conditions VII.B.1.a.iii. (a) through (c), it shall be considered to be a member of the group having the least allowable percent of the total volume of solvents.  
[A.A.C.R18-2-727.D]

b. Monitoring and Recordkeeping Requirements [A.A.C. R18-2-306.A.3.c]

- i. Each time a spray painting project is conducted, the Permittee shall log keep a record of the following:
  - (a) The date the project was conducted;
  - (b) The duration of the project;
  - (c) Type of control measures employed;
  - (d) Material Safety Data Sheets for all paints and solvents used in the project; and
  - (e) The amount of paint consumed during the project.
- ii. Architectural coating and spot painting projects shall be exempt from the recordkeeping requirements of Condition VII.B.1.b.i.

c. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C.R18-2-727. [A.A.C. R18-2-325]

2. Opacity

a. Emission Limitation/Standard

The Permittee shall not cause, allow or permit visible emissions from painting operations in excess of 20 percent opacity as measured by EPA Reference Method 9. [A.A.C. R18-2-702.B.3]

b. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with

**C. Demolition/Renovation - Hazardous Air Pollutants****1. Emission Limitation/Standard**

The Permittee shall comply with all of the requirements of 40 CFR 61 Subpart M (National Emissions Standards for Hazardous Air Pollutants - Asbestos).

[A.A.C. R18-2-1101.A.8]

**2. Monitoring and Recordkeeping Requirement**

The Permittee shall keep all required records in a file. The required records shall include the “NESHAP Notification for Renovation and Demolition Activities” form and all supporting documents.

[A.A.C. R18-2-306.A.3.c]

**3. Permit Shield**

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-1101.A.8.

[A.A.C. R18-2-325]



**ATTACHMENT “C”: EQUIPMENT LIST**  
**Air Quality Control Permit No. 58893 for**  
**Desert Gas, LP**

TYPE OF EQUIPMENT	CAPACITY	MAKE	MODEL	S. NO.	DATE OF MANUFACTURE	NSPS APPLICABLE	NESHAP APPLICABLE
Boiler	4.5 MMBtu/hr	Powerflame	Powerflame	099991377	2009	No	No
Boiler	4.2 MMBtu/hr	Gordon-Piatt	S10.1-G0-30	N/A	2009	No	No
Glycol Heater	0.2 MMBtu/hr	TBD	TBD	TBD	TBD	No	No
Engine Generator	1,367 hp	Caterpillar	G3516	4EK02793	2001	No	Yes, Subpart ZZZZ
Engine Generator	1,113 hp	Dresser Rand	SFGLD 480	283286	2001	No	Yes, Subpart ZZZZ

N/A – Not Available